



New Motor Vehicle Board

In-Site

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02.2 Edition



Maria Contreras-Sweet

ADMINISTRATION IMPROVES TRANSPORTATION ENVIRONMENT

Maria Contreras-Sweet, Secretary of the Business, Transportation and Housing Agency, recently addressed the important contributors of the automotive industry. She emphasized the motor car dealer's significant contributions to the State's economy and Governor Davis' commitment to providing an inviting business climate for the automotive industry. This goal is being accomplished through the Governor's efforts to improve the transportation infrastructure of the State and to enhance relationships within the automotive industry.

Secretary Contreras-Sweet also observed that the number of automotive manufacturers locating operations in California is increasing, due in large part to the Governor's commitment to improve the transportation infrastructure. This commitment is backed by a \$6.8 billion budget slated to target traffic congestion and highway safety issues through improvements to streets, roadways and heavily traveled transportation and trade corridors.

Transportation safety is also a key focus of Governor Davis. Significant funding is being provided for safety-related programs tailored to target unsafe truck drivers and alcohol- and drug-related driving dangers. The addition of 125 CHP motorcycle officers will decrease traffic congestion by allowing motor vehicle accidents to be cleared from the roadways on an expedited basis. Emergency medical services are being enhanced as well. Other efforts are designed to increase the safety of all individuals using the highway system.

Ms. Contreras-Sweet punctuated the commitment to support positive relationships within the automotive industry by stressing her strong support of the New Motor Vehicle

Board. As she pointed out, the Board provides a well regarded forum for efficient, timely and equitable resolution of disputes between new car dealers and manufacturers thereby improving the business environment.

It is clear Governor Davis and Secretary Contreras-Sweet value the contributions of the automobile industry and will continue its support by further improving the transportation infrastructure and ensuring a positive business environment.

NEW MEMBER ON BOARD



Angelo Quaranta

The Board was recently augmented with the appointment of Public Member Angelo Quaranta to the New Motor Vehicle Board. Mr. Quaranta was appointed by John L. Burton, Chairman of the Senate Rules Committee, effective February 13, 2002.

The Board is pleased to welcome Mr. Quaranta to the Board. Mr. Quaranta brings an interesting, diverse and accomplished background. His career began in his native country of Italy where he served on the Italian Police Force.

Mr. Quaranta immigrated to San Francisco in 1960 and by 1965, he entered the insurance industry with New York Life Insurance. Mr. Quaranta was recognized with a number of awards, and became a member of the Million Dollar Round Table. He is now a Master General Agent with American General Financial Group.

In addition to his accomplishments in the insurance industry, Mr. Quaranta is active in the Italian community as well as in community affairs. His contributions and community leadership resulted in a Certificate of Honor from the City and County of San Francisco and a Resolution from the California State Assembly and State Senate. In addition, Angelo Quaranta Day has been proclaimed in San Francisco

(Quaranta, continued to page 2)

(Quaranta, continued from page 1)

on two separate occasions.

Mr. Quaranta has served on the Board of the Juvenile Diabetes Foundation. He was also the founder of Candlelight Again, a non profit organization which brought together restaurant owners and their patrons on the anniversary of the Loma Prieta Earthquake to raise money for community needs. He is an active supporter of the Tenderloin Neighborhood Development Corporation, and as chairperson of the committee, coordinated the gift of the Columbus Statue Pedestal on Coit Tower. He was appointed to the Parking and Traffic Commission serving as its First Vice Chairman, the Recreation and Park Commission, serving as President, and is currently on the San Francisco Police Commission.

In his leisure time, Mr. Quaranta enjoys his hobby of cooking. He also owns Allegro, an intimate restaurant on Russian Hill in San Francisco. He has two daughters, who received degrees in Comparative Literature in Italy, where they both now live with their husbands and children. Mr. Quaranta's term will expire on January 15, 2006.



SOTERAS APPOINTED TO QUALITY & PRODUCTIVITY COMMISSION



Solon Soteris

The Board would like to congratulate Public Board Member, Solon Soteris, on his recent appointment to the Quality and Productivity Commission ("Commission") for Los Angeles County. Mr. Soteris was appointed to the seventeen member Commission by the Board of Supervisors. The Commission is responsible for providing recommendations to County officials relating to productivity and quality of service in the County.

During his three year term with the Commission, some of his duties will include providing advice, developing policies and programs, assisting County management, and developing mechanisms to acquire alternative financial resources. Mr. Soteris will also interface with the private sector and experts in the field, promote productivity projects and programs, sponsor employee participation, evaluate and approve projects, and insure that County Department Heads and Managers consider internal economies.



State of California
Gray Davis, Governor

IN-SITE

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*Business, Transportation
and Housing Agency*
Maria Contreras-Sweet, Secretary

Department of Motor Vehicles
Steven Gourley, Director

New Motor Vehicle Board

Officers

Frederick E. (Fritz) Hitchcock,
President
Glenn E. Stevens,
Vice-President

Members

Wendy Brogin
Robert T. (Tom) Flesh
Angelo Quaranta
Alan J. Skobin
Solon C. Soteris
David W. Wilson

Executive Director
Tom Novi

General Counsel
Howard Weinberg, Esq.

Questions or comments: Cara O'Neill-Stewart, Editor, nmvp@pacbell.net

BOARD WELCOMES NEW STAFF COUNSEL

On March 11, 2002, Cara O'Neill-Stewart joined the Board's staff as a Staff Counsel, and was officially welcomed by the members of the Board at their March 12, 2002, General meeting. Ms. O'Neill-Stewart will focus on the broad range of case processing activities, conduct pre-hearing conferences, perform legal research and assist in Board meeting preparation.

Ms. O'Neill-Stewart comes to us as an accomplished trial attorney, representing clients in both civil and criminal courts in El Dorado, Nevada, Placer, Sacramento, Tulare and Yolo counties. She has been recognized for her trial work as well as related legal training seminars. She belongs to several professional legal organizations and has completed intensive course study relating to her trial practice specialty. She holds a BA in Communications Studies from California State University at Sacramento, and a J.D. from the University of the Pacific, McGeorge School of Law, where she graduated Order of the Barristers in 1994.

Prior to her law career, she spoke competitively for many years and received several awards. While attending law school, she was a nationally ranked member of the American Bar Association appellate team as well as a moot court instructor and an editor for *The Transnational Lawyer*.

The Board staff extends a sincere and energetic welcome to Ms. O'Neill-Stewart.



JUDGE WILSON RETIRES

Administrative Law Judge Kenneth Wilson gave official notice of his retirement effective March 23, 2002, following a distinguished career in State government, including the last ten years as an Administrative Law Judge for the Board. Judge Wilson

graduated from McGeorge School of Law in 1983 and served as the Assistant Executive Secretary of the Board for approximately six months. He then left the Board in 1984 to accept a variety of challenging assignments including working for the Governor's Office of Planning and Research and the Public Utilities Commission. He also served as a Special Project Attorney for Riverside and San Bernardino counties and pursued a private law practice with an emphasis on the representation of clients in civil courts and before governmental agencies.

In addition to his legal responsibilities, Judge Wilson contributed to a number of publications, including *Longtin's California Land Use Law*, 2nd Edition.

Judge Wilson returned to the Board on July 1, 1991 as an Administrative Law Judge where he presided over many hearings and settlement conferences. Judge Wilson also prepared rulings, decisions and orders and was instrumental in the development of the Hearing Officer Training Plan for the Board. Upon his retirement, and after a short hiatus, he plans to return to the Board as a retired annuitant. The Board extends their congratulations to him and looks forward to his return.



REVENUE

*Fiscal Year 2001-2002**

NEW MOTOR VEHICLE DEALER	
Annual Fee:	\$ 459,536.00
NEW MOTOR VEHICLE BOARD	
Filing fees:	10,000.00
NEW MOTOR VEHICLE BOARD	
Manufacturer/Distributor Annual fee:	973,076.40
NEW MOTOR VEHICLE BOARD	
Hearing Transcripts:	11,391.19
Arbitration Cert. Program Reimbursement	2,527.44
Total	\$ 1,456,531.03

*July 1, 2001 thru February 28, 2002

HEARINGS**

June 10, 2002 - PR-1754-00 Michael Cadillac, Inc. dba Michael Volkswagen v. Volkswagen of America, Inc.

July 16, 2002 - P-440-01 Clutter Motors, Inc. dba Lancaster Jeep v. DaimlerChrysler Corporation

**Dates are subject to change.



From left, Alan Skobin, David Wilson, Glenn Stevens, Tom Flesh, Fritz Hitchcock, Wendy Brogin, Sol Soteras, Robin Parker, Tom Novi

FLESH HONORED AS PRESIDENT EMERITUS

At the January 8, 2002, General Board meeting, former President, Robert T. (Tom) Flesh, was honored with a plaque commemorating his tenure as the Board's President from November 1999 through December 2001. He was also given the distinguished title of President Emeritus, a distinction that has only been bestowed on one other Board President, the late Manning Post. Mr. Flesh told the Board, "I want to thank you. I enjoyed it, and it's been a lot of fun."

BAYUK LEAVES BOARD

Edward W. Bayuk, Public Member, left the Board effective January 15, 2002, when his term expired. During his tenure, Mr. Bayuk served as the Chair of the Board's Fiscal Committee. Mr. Bayuk was appointed to the Board in August 2000 by the Senate Rules Committee.

A Los Angeles resident, Mr. Bayuk is Executive Vice President of Tibarom, Inc., which owns and operates eleven Jiffy Lube franchises in northern Nevada and Riverside County, California.



COURT CASES

The Board does not participate in any action unless a state interest is implicated. The Board, as represented by the Attorney General's Office, is participating in the following court cases:

Duarte & Witting Inc., dba Nader Chrysler-Plymouth v. New Motor Vehicle Board; DaimlerChrysler Motors Corporation, Real Party in Interest

Mazda Motor of America, Inc. v. California New Motor Vehicle Board; David J. Phillips Buick-Pontiac, Inc., dba David J. Phillips Mazda, Real Party in Interest



LEGAL CASES

PROTESTS

<u>Vehicle Code Section</u>	<u>Active</u>
3060	20
3062	4
3064	0
3065	0
3065.1	1
TOTAL PROTESTS:	24

PETITIONS

3050(c)	4
TOTAL PETITIONS:	4

APPEALS

3050(b)	0
TOTAL APPEALS:	0

2002 COMMITTEE SELECTIONS

Board President, Fritz Hitchcock, announced the following committee assignments at the March 12, 2002, General Board meeting:

ADMINISTRATION COMMITTEE

Alan Skobin, Chair; Wendy Brogin, Member

BOARD DEVELOPMENT COMMITTEE

Tom Flesh, Chair; David Wilson, Member

EXECUTIVE COMMITTEE (includes Audit Review Committee)

Fritz Hitchcock, Chair; Glenn Stevens, Member

FISCAL COMMITTEE

Solon Soteras, Chair; Angelo Quaranta, Member

POLICY AND PROCEDURE COMMITTEE

Wendy Brogin, Chair; Alan Skobin, Member



DMV APPOINTS NEW CHIEF COUNSEL

The Department of Motor Vehicles announced on January 31, 2002, the appointment of Bernice Louie Yew as the Department's Chief Counsel. Ms. Yew worked for the State Attorney General's Office for over ten years as a Deputy Attorney General IV. She was successful in litigating issues related to California's energy crisis. She was also instrumental in defending the Department of Corrections in state and federal trial and appellate courts. Prior to the Attorney General's Office, Ms. Yew served as Board Counsel for the Agricultural Labor Relations Board and practiced law in the private sector. In addition to her legal credentials, she is a licensed Certified Public Accountant in the State of California.



**THE GUIDE TO THE NEW
MOTOR VEHICLE BOARD IS
NOW AVAILABLE ON THE
BOARD'S WEB-SITE
WWW.NMVB.CA.GOV.**



Mediation Statistics

July 2001 thru March 2002

Mediation Phone Calls Received	3,535
Mediation Request Forms Sent to Consumers	614
Cases Filed	327

*You can reach
Mediation Services Staff at
(916) 445-1888*

CONSUMER MEDIATION SPOTLIGHT

The New Motor Vehicle Board's Consumer Mediation Services Program received a request for mediation on September 6, 2001, regarding a 2000 Chevrolet Silverado that was purchased on February 22, 2000. Approximately two months after the purchase, the vehicle started to malfunction.

The consumer brought the vehicle into the dealership for service on the steering pump and a related fluid leak. After six separate repairs on the vehicle, the problems persisted and it was determined that the malfunction was due to a defective part. At this point, the consumer requested mediation through the Board and the case was assigned to Senior Mediation Services Representative Heather Collins.

Ms. Collins contacted the consumer and was

informed that GMC offered to repurchase the vehicle but that the consumer rejected the offer because she believed she was entitled to an additional \$2000 because her loan balance was \$2000 more than GMC's offer. Ms. Collins scrutinized the consumer's original contract and ascertained that the consumer had traded in a vehicle when she originally purchased the Silverado and that the trade-in created negative equity. Ms. Collins explained at great length that GMC was only liable for the purchase price of the Silverado and not the negative equity incurred as a result of the consumer's trade-in. The consumer indicated she needed time to think about the situation.

After approximately a month, the consumer contacted Ms. Collins and expressed her desire to accept the repurchase offer. Ms. Collins relayed this desire to GMC and at Ms. Collins' request, GMC graciously reinstated the offer. A few weeks later, the consumer turned in the vehicle and received her check. The consumer said that she was extremely satisfied with the outcome of her case and thanked the Board for its assistance.



BOARD PARTICIPATES IN CONSUMER INFORMATION FAIR

On February 9, 2002, The Department of Consumer Affairs held an Auto Consumer Information Fair in Fresno. The New Motor Vehicle Board was invited to attend the fair and staff an information booth. Board staffers Nicole Angulo and Heather Collins attended the fair, which was held at Fresno's Manchester Mall, and provided information on the Board's Mediation Services Program to numerous consumers.

In addition to providing this valuable information, Ms. Angulo and Ms. Collins were also able to network with other consumer representatives including representatives from the Department of Consumer Affairs, the Arbitration Certification Program, the Department of Motor Vehicles, and the California Highway Patrol. The Auto Information Fair was a great success with over 400 consumers in attendance.



NADA 2002 CONVENTION

With the sounds of New Orleans jazz abounding, the National Automobile Dealers Association ("NADA") held its 2002 convention in New Orleans, Louisiana from January 26-29, 2002. NADA 2001 Chairman Bob Maguire of Maguire Automotive Group opened the association's eighty-fifth annual convention by welcoming dealers to New Orleans. The show set a new NADA record with 600-plus exhibitors and the largest use of floor space in the show's history.

Throughout the four day show, innovative and resourceful workshops were offered on topics involving tough industry issues. The workshops allowed for important networking amongst peers as they tried to develop concrete solutions to the identified issues. Several speakers were featured, including NADA 2002 Chairman H. Carter Myers III, Toyota's Chief Operating Officer Jim Press, and former British Prime Minister John Major.

The New Motor Vehicle Board was represented at the convention by Executive Director Tom Novi, Staff Services Manager Dawn Kindel, President Fritz Hitchcock, immediate past President Tom Flesh, Vice President Glenn Stevens, and Dealer Member Alan Skobin. In addition to the NADA seminars, staff and Board members attended the National Association of Motor Vehicle Boards and Commissions meetings and the twenty-sixth annual breakfast meeting. Keith E. Crain, whose credentials include Chairman of Crain Communications, Inc., Publisher and Editorial Director for Automotive News, Automotive News Europe, Automotive News International, and Crain's Detroit Business was the scheduled breakfast speaker; however, he

unfortunately had to withdraw due to a death in the family. Dave Guilford, Executive Editor of Automotive News spoke in Mr. Crain's stead and shared with the audience a number of insights concerning trends in the automotive industry.



C M C 2002 DEALER DAY A



The California Motor Car Dealers Association ("CMCDA") held its 2002 Dealer Day on Tuesday, March 12, 2002, and Wednesday, March 13, 2002. The event focused on legislation affecting dealers, the dealer impact within each legislative district, and the economic role of dealers within their communities.

Tuesday began with registration, followed by lunch with Bill Lockyer, Attorney General, as the featured speaker. At the conclusion of lunch, the attendees received a thorough briefing concerning significant issues facing the industry. Wednesday morning started off with breakfast and was followed by a Board of Directors meeting, the final Dealer Day event.

The Board held a General Board Meeting on Tuesday, March 12, 2002, as it does every year in conjunction with the CMCDA Dealer Day.

NMVB e-mail:

nmvb@pacbell.net

UPCOMING BOARD MEETINGS

Special Board Meeting

*April 25, 2002

Indian Wells

General Board Meeting

*April 26, 2002

Indian Wells



Special Board Meeting

*June, 2002

Consideration of Proposed Decision
Corning Truck v. International Truck

PR-1765-00

Los Angeles

General Board Meeting

*September, 2002

Ontario

(*Board Meeting dates are subject to change. A meeting agenda with time and location details is mailed 10 days prior to the meeting.)

CALIFORNIA MOTOR CAR DEALERS ASSOCIATION

2002 State Convention and NMVB Board Meetings

Indian Wells, California

Thursday, April 25, 2002

8:00 am Dealers Breakfast Conference

Speaker - Edsel B. Ford, II

Member, Board of Directors

Ford Motor Company

2:00 pm Special Board Meeting

Roundtable Discussion of the Automotive Industry and Factory Specific Issues

Friday, April 26, 2002

8:00 am Dealers Breakfast Conference

Speaker - Phillip D. Brady

President - NADA

10:30 am General Board Meeting

CORRECTION:

In last month's 2001 Recap article by then President, Tom Flesh, a key sentence was inadvertently omitted. It should have read, "On a personal note, I want to thank distinguished Board Members, Edward Bayuk, Wendy Brogin, Solon Soteris, and Glenn Stevens, all Public Members, as well as Fritz Hitchcock, Alan Skobin and David Wilson, Dealer Members, that have made my tenure as President and a member of the Board a personally rewarding and fulfilling experience."

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on the web...

...at www.nmvb.ca.gov